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LEASE of LAND and IMPROVEMENTS

BETWEEN

THE PORT OF PORTLAND

AND

BENSON INDUSTRIES, INC.

Dated as of: November 3, 1998

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LEASE OF LAND AND IMPROVEMENTS AT TERMINAL 1
between
THE PORT OF PORTLAND
and
BENSON INDUSTRIES, INC.

THIS LEASE, effective October 29, 1998 ("Effective Date"), is between THE PORT OF PORTLAND, a port district of the State of Oregon (the "Port"), and BENSON INDUSTRIES, INC., an Oregon corporation ("Lessee").

RECITALS

The parties, intending to be legally bound by the terms of this Lease, agree as follows:

1. AGREEMENT TO LEASE PROPERTY

1.1 Agreement to Lease and Description of Premises

The Port leases to Lessee and Lessee leases from the Port, on the terms and conditions stated below, the land and appurtenances thereto, consisting of the approximately Ninety-Six Thousand (96,000) square feet, Warehouse 3 ("Warehouse") and approximately Ten Thousand (10,000) square feet of yard area located next to the Warehouse ("Yard Area"), all located in the northern portion of Terminal 1, Portland, Oregon, and identified and shown on the attached **Exhibit "A,"** together with all improvements located thereon or to be located thereon (the "Premises"). As used in this Lease, the term "Improvements" shall mean all buildings, fences, driveways, sidewalks, infrastructure improvements, utilities, paved or parking areas, landscaping, and any other enhancements located on and made to the Premises by either the Port or Lessee. The square footages indicated above are an estimate only, the accuracy of which shall have no bearing on the rental rate set forth below.

1.2 Common Areas

Lessee shall have a nonexclusive right to use Common Areas in the northern portion of Terminal 1 in common with the Port and with others to whom the Port has granted or may grant such right. The term "Common Areas" shall mean existing access ways that the Port now or hereafter designates as Common Areas.

1.2.1 Port Work in the Common Area

Should the Port, of its own accord, undertake any repair, maintenance or improvement work in or on the Common Areas, the Port shall have no liability for

interference with Lessee's use of the Common Areas which might result from the Port's repair and maintenance efforts and no such efforts shall be construed as a constructive eviction or other eviction of Lessee. Rent shall not be reduced during any such repair period. Any repair of damage caused by negligence or breach of this Lease by Lessee, Lessee's employees, agents, contractors or invitees, shall be Lessee's responsibility and shall be made at Lessee's sole expense.

1.2.2 Port Authority Over Common Areas

In addition to any other rights granted by law or by this Lease, the Port reserves the following specific rights with respect to the Common Areas: (i) to adjust the boundaries of, expand or delete Common Areas; (ii) to permit the use of the Common Areas by others in such manner as the Port may from time to time determine; (iii) to close all or any portion of the Common Areas; (iv) to construct additional buildings or other improvements in the Common Areas; and (v) to evict anyone from the Common Areas who fails to comply with any applicable laws, including applicable Port Ordinances and/or Port Rules.

1.3 Easement Rights

The Port reserves the right to grant an approximately thirty (30) feet-wide access easement for use by the Port and other Terminal 1 tenants along the northern portion of the Premises, as approximately shown on **Exhibit "A."**

1.4 Use of the Premises

Lessee shall use the Warehouse only to assemble glass windows into aluminum frames and Lessee shall use the Yard Area only to store aluminum frames ("Permitted Uses"). No Hazardous Substances, as that term is defined in Section 6.1.1, may be brought onto, used, handled, treated, recycled, disposed of, transferred, transported, deposited, placed, or stored on the Premises, except as specifically provided in Section 6.3. No underground storage tanks, mobile storage tanks (including fueling trucks), or above-ground storage tanks for the storage of Hazardous Substances shall be installed or operated on the Premises. No unloading or loading of marine containers shall occur on the Premises. Lessee shall not use the Warehouse and Yard Area such that the uniform live load exceeds One Thousand (1,000) pounds per square foot. Lessee shall not, without the prior written consent of the Port, use any device which would violate any local noise ordinance or cause substantial vibrations, fumes, or electronic interferences on the Premises. Lessee shall not use or permit anyone else to use the Premises nor shall Lessee permit anything to be done on the Premises which: (i) adversely affects or is likely to adversely affect the Premises; (ii) creates any condition that may be a safety hazard; (iii) creates or tends to create a hazard or a nuisance; or (iv) annoys or inconveniences other tenants or occupants of Terminal 1. No other use may be made of the Premises without the prior written approval of the Port, which approval shall be in the sole discretion of the Port.

1.5 Compliance with All Laws

Lessee's use of the Premises must comply with all applicable laws, ordinances, rules and regulations of state, federal, city, county, or other public government authority, including, but not limited to, local fire codes and zoning codes, and Port ordinances and any published Port Rules and Regulations (collectively, "Port Rules"). Lessee shall promptly provide to the Port copies of all communications from any such government entity which relate to Lessee's noncompliance or alleged noncompliance with any law or other government requirement.

2. TERM

2.1 Lease Term

The term of this Lease shall commence on October 29, 1998 ("Commencement Date"), and shall terminate February 29, 2000 ("Expiration Date"), unless otherwise terminated pursuant to the terms of this Lease.

3. RENT

3.1 Basic Rent and Rent

Lessee shall pay to the Port monthly rent in accordance with the following schedule: For the period from October 29, 1998 to January 30, 1999, the monthly rent shall be **TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500)**. For the period from February 1, 1999 through May 31, 1999, monthly rent shall be **FIFTEEN THOUSAND DOLLARS (\$15,000)**. For the period from June 1, 1999 through October 31, 1999, monthly rent shall be **TWENTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$22,500)**; and for the period from November 1, 1999 through February 29, 2000, monthly rent shall be **FIFTEEN THOUSAND DOLLARS (\$15,000)**. Said monthly rent shall be referred to as "Basic Rent." All other sums which become payable by Lessee to the Port shall be considered "Additional Rent" due under this Lease. "Rent," as used herein, shall mean all such Additional Rent, together with Basic Rent.

3.2 Maintenance Charge

In addition to the Basic Rent specified in Section 3.1 herein, Lessee shall be obligated to pay to the Port a maintenance charge ("Maintenance Charge"). The Maintenance Charge for the Premises shall be **ONE THOUSAND FOUR HUNDRED FORTY DOLLARS (\$1,440)** per month, commencing upon the Effective Date, and continuing through the termination of this Lease. The Port's maintenance responsibilities shall include maintenance of the roof, walls, and sprinkler system. The Maintenance Charge does not include the cost for repairing damage to the Premises caused by Lessee, changing light bulbs, fixing toilets, cleaning and housekeeping, repairing door fixtures or lifts, removing graffiti, repairing or restoring damage due to vandalism, fixing broken windows, doors, or other fixtures, repairing or maintaining any improvements installed by Lessee, all of which shall be the responsibility of the Lessee. The monthly Maintenance Charge shall be considered Additional Rent for all purposes.

of this Lease, including the payment date, provided that the Maintenance Charge for the first month has been paid upon the execution of this Lease.

3.3 Property Taxes

In addition to the Basic Rent specified in Section 3.1 herein, Lessee shall be obligated to pay to the Port monthly, beginning upon the Effective Date, the estimated annual property taxes for the Premises, prorated on a monthly basis ("Estimated Tax Payment"). Upon execution of this Lease, the Estimated Tax Payment that Lessee shall pay to the Port is THREE THOUSAND ONE HUNDRED SIXTY-EIGHT DOLLARS (\$3,168) per month. When the tax bill is received, the estimated amount will be reconciled with the actual tax bill and Lessee shall immediately pay the Port any shortfall, if the taxes were underestimated. Any overage will be credited to Lessee's next month's Estimated Tax Payment. The Port will pay the taxes to the County Assessor when due. The monthly Estimated Tax Payment shall be considered Additional Rent for all purposes of this Lease, including the payment date, provided that the tax payment for the first month has been paid upon the execution of this Lease. In addition to the Estimated Tax Payment for property taxes required in this Section 3.3, Lessee shall pay all taxes and assessments of any public authority levied against any taxable possessory right Lessee may have in or to all taxable property, real or personal, owned by Lessee in or about the Premises, including any other tax or charge levied wholly or partly in lieu thereof.

3.4 Insurance Charge

In addition to the Basic Rent specified in Section 3.1 herein and commencing upon the Effective Date, Lessee shall pay the Port the sum of THREE HUNDRED FIFTEEN DOLLARS (\$315) each month of the Lease term to insure the Warehouse structure and Yard Area pavement ("Insurance Charge"). If Lessee engages in any activity or installs any improvements to the Premises that increase the Port's insurance costs for the Premises over and above THREE HUNDRED FIFTEEN DOLLARS (\$315) per month, the Port will notify Lessee of this increase. Lessee shall either modify its activity or remove or modify its improvements or pay the higher insurance amount. Lessee shall be responsible for insuring the contents of the Warehouse and meeting the insurance requirements set forth in Section 7.3. The monthly Insurance Charge shall be considered Additional Rent for all purposes of this Lease, including the payment date, provided that the Insurance Charge for the first month has been paid upon the execution of this Lease. The Insurance Charge covers the cost to insure the building shell only. It does not cover the cost to insure Lessee's trade fixtures, inventory, supplies, equipment, property, or any improvements made by Lessee to the Premises, which insurance shall be the responsibility of the Lessee.

3.5 Other Charges

Lessee must pay all costs associated with the use, development, and occupancy of the Premises, including, but not limited to, taxes, assessments, utilities, and insurance, excluding maintenance to be performed by the parties as set forth in Section 4.2 and excluding items covered by Additional Rent.

3.6 Security Deposit

Lessee shall deposit with the Port, and continuously maintain, cash or an irrevocable standby letter of credit, drawn on a bank acceptable to the Port in a form acceptable to the Port, upon execution of this Lease, in the amount of FIFTEEN THOUSAND DOLLARS (\$15,000) ("Deposit"). The Deposit shall secure Lessee's full and faithful performance and observance of all of Lessee's obligations under this Lease and under any other written agreement between Lessee and the Port specifically referring to the Deposit in this Section 3.6. The Deposit shall not be considered to be held in trust by the Port for the benefit of Lessee and shall not be considered an advance payment of Rent or a measure of the Port's damages in the case of an Event of Default, as defined in Section 10.1, by Lessee. The Port may, but shall not be obligated to, draw upon and apply the Security Deposit to: (i) pay any Basic Rent or other Rent not paid on or before the date it is due and the Port shall not be required to give notice or opportunity to cure before drawing on the Security Deposit; and/or (ii) remedy any violation of this Lease, after Lessee has received notice and opportunity to cure, if such notice and opportunity to cure is required under this Lease. Further, the Port may draw on the entire Security Deposit immediately, without notice to Lessee, upon receipt of a notice of non-renewal of the letter of credit that constitutes the Security Deposit. If the Port applies any of the Security Deposit to any of the above, Lessee shall, immediately upon demand, replenish the Security Deposit to its full amount. If Lessee fully performs all of its obligations under this Lease, the Security Deposit, or any balance remaining, will be released within thirty (30) days from the Expiration Date or termination of this Lease and delivery of the Premises to the Port. However, if any question exists concerning Lessee's full compliance with the Lease, or if there is any obligation under this Lease to be performed after the Expiration Date or earlier termination of this Lease, the Port shall be entitled to require that the Security Deposit remain in place until the Port is fully satisfied that there has been no violation of the Lease and all obligations due under this Lease have been fully performed, even if it takes the Port longer than thirty (30) days to make such a determination to the Port's satisfaction. If the security deposit is cash, it need not be kept in a separate account, it will not earn interest, and it will be subject to all of the provisions referenced above.

3.7 Time and Place of Basic Rent Payments

Lessee shall make payment of the Basic Rent, Maintenance Charge, Estimated Tax Payment and Insurance Charge, in advance, on or before the first day of each month ("Due Date"), without offset, abatement, or deduction to the Port to the following address or such other address as the Port may later designate as provided herein:

The Port of Portland
Unit 27
P.O. Box 4900
Portland, Oregon 97208-4900

3.8 Delinquency

All Rent not paid by Lessee within ten (10) days of the Due Date shall bear a delinquency charge of eighteen percent (18%) per annum or, if less, the maximum rate of interest allowed by law, from the date of delinquency until paid. The delinquency charge on the overdue amounts shall be subject to periodic change in the sole discretion of the Port. Imposition of the delinquency charge shall not constitute a waiver of any other remedies available for failure to timely pay Rent. Acceptance of any delinquency charge by the Port shall in no event constitute a waiver of Lessee's Default with respect to the overdue amount in question nor prevent the Port from exercising any of the other rights and remedies granted under this Lease or by law.

3.9 Acceptance of Rent

The Port's acceptance of a late or partial payment of Rent shall not constitute a waiver of any Event of Default (defined in Section 10, below). It is hereby agreed that any endorsements or statements appearing on checks of waiver, compromise, payment in full, or any other similar restrictive endorsement shall have no legal effect. Lessee shall remain in Default and obligated to pay all Rent due, even if the Port has accepted a partial or late payment of Rent.

4. LESSEE'S OTHER OBLIGATIONS

4.1 Construction of Improvements

4.1.1 Lessee's Planned Improvements

Any improvements to be made to the Premises will be at Lessee's cost and must be approved by the Port in writing prior to construction. Lessee will be responsible for obtaining and paying for the building permits necessary to complete such improvements, including paying for any assessments, systems development charges or other requirements that may be imposed as a condition of securing the permits. Lessee's initial planned improvements shall consist of wiring to accommodate Lessee's equipment, upgrades to the lighting fixtures, the placement of portable toilets within the Warehouse, and the installation of fencing around the Yard Area.

4.1.2 Port Approval

Lessee shall undertake no construction, alteration, or changes ("Work") on or to the Premises without the prior written consent of the Port. Lessee shall submit the following to the Port for approval at least thirty (30) days in advance of any scheduled construction: The name of the proposed contractor; final plans and specifications; a site-use plan; and architectural renderings. Approval must be obtained prior to application for any building or similar permit. The Port may condition its approval on Lessee obtaining and delivering to the Port a performance bond and a labor and materials payment bond issued by a corporate surety acceptable to the Port and licensed to do business in Oregon, each in an amount equal to the estimated cost of the construction and each in a form satisfactory to the Port. Subject to the provisions of Section 9, below, all Improvements placed on the Premises by Lessee, other than

Lessee's removable trade fixtures, may be deemed a part of the Premises after the expiration of this Lease, at the Port's option.

4.1.3 Permits

Once preliminary approval has been given by the Port, no Work may commence until Lessee obtains and delivers to the Port copies of all necessary governmental permits.

4.1.4 Other Requirements

All Work done on the Premises at any time during this Lease must be done in a good and workmanlike manner and in accordance with all building permit requirements. All Work shall be done with reasonable dispatch. If requested by the Port, within thirty (30) days after the completion of any Work, Lessee shall deliver to the Port complete and fully detailed as-built drawings of the completed Work, prepared by an architect pre-approved by the Port and duly licensed by the State of Oregon.

4.2 Maintenance and Repair

Reasonable wear and tear excepted, Lessee shall be liable for any damage to the Premises caused by Lessee's or Lessee's agents', subtenants', employees', contractors', suppliers', or invitees' use of the Premises or by vandalism caused by any party. Repair or rebuilding required as a result of such damage shall be performed by the Port, and the reasonable cost for such repairs shall be billed by the Port to Lessee. Lessee shall provide proper containers for trash and garbage and arrange and pay for janitorial and garbage services or make other arrangements acceptable to the Port to keep the Premises free and clear of rubbish, debris, and litter at all times. Without limiting the generality of the foregoing, Lessee shall maintain the roadways and parking areas within the Premises in good and serviceable condition, free of snow, ice, debris, and obstructions and with a safe and easily traversable surface for vehicle traffic.

4.3 No Liens

Lessee agrees to pay, when due, all sums for labor, services, materials, supplies, utilities, furnishings, machinery, or equipment which have been provided or ordered with Lessee's consent to the Premises. If any lien is filed against the Premises which Lessee wishes to protest, then Lessee shall immediately deposit cash with the Port or procure a bond acceptable to the Port in an amount sufficient to cover the cost of removing the lien from the Premises. Failure to remove the lien or furnish the cash or bond acceptable to the Port within twenty (20) days shall constitute an Event of Default under this Lease, and the Port shall automatically have the right, but not the obligation, to pay the lien off with no notice to Lessee, and Lessee shall immediately reimburse the Port for any sums so paid to remove any such lien. Lessee shall not encumber the Premises or any Improvements thereon without prior written approval of the Port.

4.4 Utilities

Lessee shall promptly pay any charges for sewer, water, gas, electricity, telephone, and all other charges for utilities which are furnished to the Premises or Improvements at the request of Lessee, including any and all connection fees and impervious surface fees charged by the governmental entity having jurisdiction. The Port shall not be responsible for verification of location of existing utility lines and/or connections. In the event Lessee desires to install utility lines on or under the Premises, Lessee shall first obtain the Port's written approval for the installation and the location of such lines. Upon the completion of the installation of new lines, Lessee shall promptly deliver to the Port a survey indicating the location of the newly installed lines and showing a "metes-and-bounds" description thereof. Lessee shall be responsible for paying the cost to install separate utility meters to the Premises, if such meters are not currently in place. If any upgrades to the utilities are required to accommodate Lessee's use of the Premises, the cost of such upgrades shall be paid by Lessee. Such upgrades must be pre-approved, in writing, by the Port, and meet all City, State, and insurance requirements.

4.5 Signs

Lessee shall neither erect nor install nor permit upon the Premises any sign or other advertising device without first having obtained the Port's written consent, which consent the Port may withhold in its sole discretion. Lessee shall remove all signs and sign hardware upon termination of this Lease and restore the sign location to its former state, unless the Port elects to retain all or any portion of the signage.

4.6 Fire Safety

Lessee shall exercise due and reasonable care and caution to prevent and control fire on the Premises, and to that end, shall provide and maintain such fire suppression and other fire protection equipment as may be required pursuant to applicable governmental laws, ordinances, statutes and codes for the purpose of protecting the Premises and restricting the spread of any fire from the Premises.

4.7 Port Access to Premises

The Port shall have the right to enter upon the Premises for the purposes of: (i) confirming the performance by Lessee of all obligations under this Lease; (ii) doing any other act which the Port may be obligated or have the right to perform under this Lease; and (iii) for any other lawful purpose. Such entry shall be made with reasonable advance notice and during normal business hours, where practical, except in cases of emergency or a suspected violation of this Lease or the law. Lessee waives any claim against the Port for damages for any injury or interference with Lessee's business, any loss of occupancy or quiet enjoyment of the Premises, or any other loss occasioned by such entry, except to the extent caused by the gross negligence or willful misconduct of the Port. The Port shall be given keys with which to unlock all gates or doors in, upon, or about any building located on the Premises, and the Port shall have the right to use

any and all means which the Port may deem reasonable to open such doors in an emergency in order to obtain entry into any such building located on the Premises.

5. PORT AUTHORITY AND OBLIGATIONS

5.1 Delivery of Premises

Lessee shall have the right to possession of the Premises under this Lease as of the Commencement Date.

5.2 Quiet Enjoyment

Subject to Lessee performing all of Lessee's obligations under this Lease and subject to the Port's and other Terminal 1 tenants rights under this Lease and its rights of condemnation under Oregon law, Lessee's possession of the Premises will otherwise not be disturbed by the Port.

5.3 Condition of Premises

The Port makes no warranties or representations regarding the condition of the Premises, including, without limitation, the suitability of the Premises for Lessee's intended uses or the availability of utilities needed for Lessee's intended purposes. Lessee has inspected and accepts the Premises in "AS-IS" condition, subject to the Port's obligations under Section 5.4 of this Lease. The Port provides no security services for Terminal 1. The Lessee agrees that it is leasing the Premises at its own risk, and the Port shall have no liability to Lessee and Lessee shall have no claim against the Port for any damage or injury caused by the condition of the Premises. The Port shall have no responsibility to bring the Premises into compliance with any laws, including, without limitation, any building or occupancy codes. Lessee shall be solely responsible for thoroughly inspecting the Premises and ensuring that it is in compliance with all laws, including all requirements of the Americans With Disabilities Act ("ADA"). It shall be Lessee's responsibility to determine that the weight limitations set forth in Section 1.4 are met and Lessee shall be responsible for any damage to the Premises that results from excess loads.

5.4 Port Maintenance and Repair Obligations

The Port shall maintain the Premises in good and substantial repair and condition. The Port's maintenance responsibilities are set forth in Section 3.2. The Port shall have no liability for interference with Lessee's use of the Premises which might result from the Port's repair and maintenance efforts, and no such efforts shall be construed as a constructive eviction or other eviction of Lessee. Rent shall not be reduced during any such repair period. Any repair of damage caused by negligence or breach of this Lease by Lessee or Lessee's subtenants, employees, agents, contractors, or invitees shall be Lessee's responsibility and shall be made at Lessee's sole expense.

5.5 Joint Inspection

A joint inspection of the Premises by the Port and Lessee shall be performed at the beginning of the Lease Term and, at the Port's option, shall be performed periodically thereafter during the term of the Lease to assess the condition of the entire Premises, including the environmental condition, and to document any necessary maintenance and repairs ("Joint Inspection"). The Joint Inspection shall be documented in writing by the Port ("Joint Inspection Report") and shall include a list of all necessary maintenance and repairs to the Premises, as determined by the Port in its sole discretion. A copy of the Joint Inspection Report shall be provided to Lessee within 30 days after completion of the Joint Inspection. Said maintenance and repairs shall be completed by the Port, or by Lessee as determined by the Port, in a timely manner. Responsibility for bearing the costs for the maintenance and repairs noted in the Joint Inspection shall be determined in accordance with Sections 4.2 and 5.4 of this Lease and shall be stated in the Joint Inspection Report prepared by the Port. Upon completion of said maintenance and repairs, the Port shall invoice Lessee for the cost of those items determined to be the responsibility of Lessee. Said invoice shall be due and payable within 30 days of the date of invoice.

5.6 Maintenance and Repairs

During the term of this Lease, Lessee shall notify the Port in writing of any necessary maintenance and repairs which were not identified during the Joint Inspection. Responsibility for bearing costs for said maintenance and repairs shall be determined in accordance with Section 4.2 and Section 5.4. The Port shall respond to Lessee's request within seven (7) business days of receipt of notice. Upon completion of said maintenance and repairs, the Port shall invoice Lessee for costs of those items determined to be the responsibility of Lessee. Said invoice shall be due and payable within 30 days of the date of invoice.

5.7 Port Labor Agreement

Because of a Port labor agreement requirement, Port labor may be required to perform maintenance to the Premises even if the responsibility for completing and paying for such maintenance is the responsibility of Lessee.

6. ENVIRONMENTAL OBLIGATIONS OF TENANT

6.1 Definitions

For the purposes of this Lease, the following definitions shall apply:

6.1.1 Hazardous Substance

"Hazardous Substance" includes any and all substances defined or designated as hazardous, toxic, radioactive, dangerous, or regulated wastes or materials, or any other similar term in or under any applicable laws and regulations. Hazardous Substance shall also include, but not be limited to, fuels, petroleum, and petroleum-derived products.

6.1.2 Environmental Cost

"Environmental Cost" includes, but is not limited to, costs and damages arising from or relating to: (i) any actual or claimed violation of or noncompliance with any applicable laws and regulations; (ii) claims for damages, response costs, Special Audit costs, fines, fees, or other relief relating to matters addressed in any applicable laws and regulations; (iii) injunctive relief relating to matters addressed in any applicable laws and regulations; (iv) Hazardous Substance Releases; and (v) violations of any environmental provisions of this Lease. Costs and damages, as used in this Section, shall include, but not be limited to: (a) costs of evaluation, testing, analysis, cleanup, remediation, removal, disposal, monitoring, and maintenance; (b) fees of attorneys, engineers, consultants, and experts, whether or not taxable as costs, incurred at, before, or after trial, appeal, or administrative proceedings; (c) lost revenue; and (d) diminution of value, loss, or restriction on use of property.

6.1.3 Hazardous Substance Release

"Hazardous Substance Release" shall be interpreted in the broadest sense to include the spilling, discharge, deposit, injection, dumping, emitting, releasing, leaking, or placing of any Hazardous Substance into the air or into or on any land or waters, except as authorized by a then-current and valid permit issued under applicable laws and regulations.

6.2 General Environmental Obligations of Lessee

Lessee shall manage and conduct all of its activities on or relating to the Premises: (i) in compliance with applicable laws and regulations and the environmental provisions of this Lease; (ii) in cooperation with the Port in the Port's efforts to comply with applicable laws and regulations; and (iii) in adherence with best management practices applicable to Lessee's use of the Premises. Lessee shall manage and, as appropriate, secure the Premises and its occupation or use of the Premises so as to prevent any violation of laws or regulations by any party on or relating to the Premises.

6.3 Use of Hazardous Substances

Lessee shall be permitted to use, handle, or store only those Hazardous Substances identified on the Material Safety Data Sheets attached hereto as **Exhibit "B"** and in the quantities described in the attached **Exhibit "C,"** to be used inside the Warehouse and only for the purpose of assembling windows. Lessee may use fuels and lubricants to run its fork lifts and vehicles on the Premises so long as such fuels and lubricants are fully contained within such fork lifts and vehicles.

6.4 Environmental Audits

6.4.1 Baseline Audit

An environmental audit of the northern portion of Terminal 1, including the Premises, was completed and a report issued on July 13, 1998 by EMCON ("Initial Audit"), a copy of which has been provided to Lessee. The parties agree that the Initial Audit shall serve as the "Baseline Audit" of the Premises for the purposes of this Lease.

6.4.2 Presumption

The Baseline Audit shall be used as a baseline for determination of future Lessee liability. If the presence of a Hazardous Substance, a Hazardous Substance Release, violation of Environmental Law or violation of an environmental provision of this Lease is discovered or disclosed, that was not discovered or disclosed in the Baseline Audit, then a rebuttable presumption will exist, as to matters within the scope of the Baseline Audit, that Lessee is the cause of and is responsible for all response, remediation, restoration and Environmental Cost arising from such Hazardous Substance, Hazardous Substance Release, violation of Environmental Law or violation of any environmental provision of this Lease. The presumption established by this Section shall expire after the results of the Exit Audit have been obtained and all response, remediation and full payment of Environmental Cost for which Lessee is responsible under this Lease have been completed.

6.4.3 Exit Audit

The Port shall conduct an Environmental Audit ("Exit Audit") of the Premises to determine, at a minimum: (i) the environmental condition of the Premises; (ii) whether any Hazardous Substance Release has occurred or exists on or about the Premises; and (iii) whether there is evidence of any violation of applicable laws and regulations or the environmental provisions of this Lease. The Exit Audit shall be performed not more than sixty (60) days prior to the scheduled Expiration Date of this Lease. In the event this Lease is terminated prior to the Expiration Date for any reason, the Port shall cause the Exit Audit to be completed within sixty (60) days of such actual termination date of this Lease.

6.4.4 Audit Requirements

The scope of all Environmental Audits shall be determined solely by the Port. The Port must review and approve the scope of any proposed Environmental Audit and the firm or individual Lessee intends to retain to perform it before an Environmental Audit may be conducted, and such approval may be withheld or conditioned in the Port's sole discretion. If any Environmental Audit performed under this Lease recommends additional testing or analysis or recommends an additional audit then, unless otherwise agreed to, in writing, by the Port and Lessee, Lessee shall perform the additional recommended testing, analysis or audit and the records and results of such additional work shall be considered a part of the underlying audit that triggered the need for the additional work. The Port and Lessee shall each receive a signed copy of any Environmental Audit report prepared pursuant to this Lease.

6.5 Environmental Inspection

The Port reserves the right, at any time and from time to time, after notice to Lessee, to inspect the Premises and Lessee's operations on and use of the Premises: (i) for the presence of and/or Lessee's management of Hazardous Substances; (ii) for the purpose of sampling Lessee's stormwater discharge; (iii) for compliance with Environmental Law or the environmental provisions of this Lease; and (iv) to facilitate

the Port's environmental management, permitting and analysis related to the Premises or any other property of the Port.

6.6 Lessee's Liability

6.6.1 Release of Hazardous Substance

Except as provided in Section 6.6.3, Lessee shall be responsible for any Hazardous Substance Release on the Premises, on other properties, in the air, or in adjacent or nearby waterways (including groundwater) which results from or occurs in connection with Lessee's occupancy or use of the Premises during the Lease Term or occurring or continuing after the Lease Term.

6.6.2 Lessee's Liability for Environmental Cost

Except as provided in Section 6.6.3, Lessee shall be responsible for all Environmental Costs arising under this Lease.

6.6.3 Limitation of Lessee's Liability

Notwithstanding anything to the contrary provided in this Lease, Lessee shall have no responsibility for Hazardous Substances or Hazardous Substance Releases or Environmental Cost arising therefrom that: (i) existed on the Premises prior to the Effective Date of this Lease (except if caused by Lessee or Lessee's agents, employees, or contractors); or (ii) are caused by the Port or the agents, employees, or contractors of the Port after the Effective Date of this Lease.

6.6.4 Pre-existing Contamination Revealed by Permitted Activities

In the event that Lessee's activities on the Premises reveal a pre-existing contamination of the Premises, Lessee releases the Port and waives any claim against the Port for damages or costs caused by the delay arising from the Port's efforts to remediate such pre-existing contamination.

6.7 Environmental Remediation

6.7.1 Immediate Response

In the event of a violation of applicable laws and regulations, a violation of an environmental provision of this Lease, a Hazardous Substance Release, or the threat of or reasonable suspicion of the same for which Lessee is responsible under this Lease, Lessee shall immediately undertake and diligently pursue all acts necessary or appropriate to correct the violation or investigate, contain, and stop the Hazardous Substance Release and remove the Hazardous Substance.

6.7.2 Remediation

Lessee shall promptly undertake all actions necessary or appropriate to ensure that any Hazardous Substance Release is remediated and that any violation of any applicable laws and regulations or environmental provision of this Lease is corrected. Lessee shall remediate, at Lessee's sole expense, all Hazardous Substances for which Lessee is responsible under this Lease or under any applicable

laws and regulations and shall restore the Premises or other affected property or water to its pre-contamination condition.

6.7.3 Report to the Port

Within thirty (30) days following completion of any investigatory, containment, remediation, and/or removal action required by this Lease, Lessee shall provide the Port with a written report outlining, in detail, what has been done and the results thereof.

6.7.4 Port's Approval Rights

Except in the case of an emergency or an agency order requiring immediate action, Lessee shall give the Port advance notice before beginning any investigatory, remediation, or removal procedures. The Port shall have the right to approve or disapprove the proposed investigatory, remediation, and removal procedures and the company(ies) and/or individuals conducting such procedures which are required by this Lease or by applicable laws and regulations, whether on the Premises or on any affected property or water. The Port will have the right to require Lessee to request oversight from the Oregon Department of Environmental Quality ("DEQ") of any investigatory, containment, remediation, and removal activities and/or require Lessee to seek a statement from DEQ of "No Further Action."

6.8 Notice

Lessee shall promptly notify the Port upon becoming aware of: (i) a violation or alleged violation of any applicable laws and regulations related to the Premises or to Lessee's occupation or use of the Premises or any environmental provision of this Lease; and (ii) any Hazardous Substance Release on, under, or adjacent to the Premises or threat of or reasonable suspicion of any of the same. If notice must be given on the weekend or after 5:00 p.m. on any business day, Lessee shall notify the Port by calling the Port's emergency telephone number. That number is (503) 335-1111.

6.9 Port's Right to Perform on Behalf of Lessee

Except in the event of an emergency or an agency order requiring immediate action, the Port shall have the right, upon giving Lessee seven (7) days' written notice, to perform Lessee's obligations arising under this Lease and charge Lessee the resulting Environmental Cost. The Port may not commence performance on behalf of Lessee under this Section if, within the seven (7)-day notice period, Lessee promptly begins and diligently pursues to completion the performance of the obligations set forth in the Port's notice.

7. INDEMNITY, INSURANCE

7.1 General Indemnity; Reimbursement for Damages

Lessee agrees to defend (using legal counsel acceptable to the Port), indemnify, and hold harmless the Port from and against, and reimburse the Port for, any and all

actual or alleged claims, damages, expenses, costs, fees (including, but not limited to, attorney, accountant, paralegal, expert, and escrow fees), fines, and/or penalties (collectively, "Costs") which may be imposed upon or claimed against or incurred by the Port and which, in whole or in part, directly or indirectly, arise from or are in any way connected with any of the following, unless exclusively resulting from the Port's gross negligence or willful misconduct: (i) any act, omission, or negligence of Lessee or Lessee's partners, officers, directors, agents, employees, invitees, or contractors; (ii) any use, occupation, management, or control of the Premises by Lessee, whether or not due to Lessee's own act or omission and whether or not occurring on the Premises; (iii) any condition created in or about the Premises by any party, including any accident, injury, or damage occurring on or about the Premises after the Effective Date; (iv) any breach, violation, or nonperformance of any of Lessee's obligations under this Lease; and/or (v) any damage caused by Lessee on or to the Premises. For purposes of this Section 7.1 (i) through (v) and Section 7.2, below, "Lessee" shall be deemed to include Lessee and Lessee's sublessees and licensees and all respective partners, officers, directors, agents, employees, invitees, and/or contractors.

7.2 Environmental Indemnity

Without in any way limiting the generality of Section 7.1, Lessee shall be solely responsible for and agrees to defend (using legal counsel acceptable to the Port), indemnify, and hold harmless the Port from and against all Environmental Costs claimed against or assessed against the Port or incurred by the Port arising, in whole or in part, directly or indirectly, from acts or omissions of any person or entity at or about the Premises after the Effective Date of this Lease, or earlier if caused by Lessee or Lessee's agents or invitees. This indemnification shall require Lessee to reimburse the Port for any diminution in value of the Premises, or other adjacent or nearby Port property, caused by Hazardous Substances, including damages for loss of or restriction on use of rentable or usable property or of any amenity of the Premises or any other Port property, including damages arising from any adverse impact on marketing of property in or near the Premises, including other Port property. Lessee's obligations shall not apply if the Hazardous Substances were deposited on the Premises by the Port. Lessee shall be solely responsible to assure that no person brings any Hazardous Substance onto the Premises, except as permitted by this Lease. Notwithstanding the foregoing, Lessee shall not indemnify the Port for any actions of the Port or the Port's employees, agents, or contractors that cause environmental damage or a violation of any Environmental Law on, about, or affecting the Premises.

7.3 Insurance Requirements

Insurance requirements set forth below do not in any way limit the amount or scope of liability of Lessee under this Lease. The amounts listed indicate only the minimum amounts of insurance coverage the Port is willing to accept to help insure full performance of all terms and conditions of this Lease. All insurance required by Lessee under this Lease shall meet the following minimum requirements:

7.3.1 Certificates; Notice of Cancellation

On or before the Effective Date and thereafter during the Lease Term, Lessee shall provide the Port with current certificates of insurance, executed by a duly authorized representative of each insurer, as evidence of all insurance policies required under this Section. No insurance policy may be canceled, materially revised, or non-renewed without at least thirty (30) days' prior written notice being given to the Port. Insurance must be maintained without any lapse in coverage during the Lease Term. Insurance allowed to lapse without Port consent shall be deemed an immediate Event of Default under this Lease. The Port shall also be given certified copies of Lessee's policies of insurance, upon request. Failure of the Port to demand such certificates or other evidence of full compliance with these insurance requirements or failure of the Port to identify a deficiency from evidence that is provided, shall not be construed as a waiver of Lessee's obligation to maintain the insurance required by this Lease.

7.3.2 Additional Insured; Separation of Insureds

The Port shall be named as an additional insured in each general liability policy and as an additional insured and loss payee in each property insurance policy. Such insurance shall provide cross-liability coverage equivalent to the standard Separation of Insureds clause published by the Insurance Services Office ("ISO"), or its successor organization.

7.3.3 Primary Coverage

The required policies shall provide that the coverage is primary and will not seek any contribution from any insurance or self-insurance carried by the Port.

7.3.4 Company Ratings

All policies of insurance must be written by companies having an A.M. Best rating of "A-" or better, or equivalent. The Port may, upon thirty (30) days' written notice to Lessee, require Lessee to change any carrier whose rating drops below an "A-" rating.

7.4 Required Insurance

At all times during this Lease, Lessee shall provide and maintain the following types of coverage:

7.4.1 General Liability Insurance

Lessee shall maintain an occurrence form commercial general liability policy or policies (including coverage for sudden and accidental pollution liability on land and on water) insuring against liability arising from premises (including loss of use thereof), operations, independent contractors, fire legal liability, products-completed operations, personal injury and advertising injury, and liability insured under an insured contract (including the tort liability of another assumed in a business contract) occurring on or in any way related to the Premises or occasioned by reason of the operations of

Lessee. Such coverage shall be written on an ISO form CG 00 01 01 96 (or a substitute form providing equivalent coverage) in an amount of not less than ONE MILLION DOLLARS (\$1,000,000) per occurrence.

7.4.2 Automobile Liability Insurance

In the event that automobiles are used in connection with Lessee's business or operations at the Premises, Lessee shall maintain an automobile liability policy or policies insuring against liability for bodily injury, death, or damage to property and relating to the use, loading, or unloading of any of Lessee's automobiles (including owned, hired, and non-owned vehicles) on and around the Premises. Coverage shall be in an amount of not less than ONE MILLION DOLLARS (\$1,000,000) each accident.

7.4.3 Workers' Compensation Insurance

Lessee shall maintain in force workers' compensation insurance for all of Lessee's employees in accordance with all requirements of Oregon law. Lessee shall also maintain employer's liability coverage in an amount not less than FIVE HUNDRED THOUSAND DOLLARS (\$500,000) per accident and FIVE HUNDRED THOUSAND DOLLARS (\$500,000) per employee for disease. In lieu of such insurance, Lessee may maintain a self-insurance program meeting the requirements of the State of Oregon (and the U.S. Department of Labor, if applicable) and a policy of excess workers' compensation and employer's liability insurance.

7.4.4 Lessee's Risks

Port insurance described in Section 3.4 covers the building shell only. Lessee shall be responsible for obtaining any insurance it deems necessary to cover its own risks, including without limitation: (i) business interruption, such as gross earnings, extra expense, or similar coverage; (ii) personal property, fixtures, equipment, inventory, or supplies; (iii) improvements and betterments; and/or (iv) automobile physical damage and/or theft. In no event shall the Port be liable for any (a) business interruption or other consequential loss sustained by Lessee; (b) damage to or loss of personal property, fixtures, equipment, inventory, or supplies; or (c) damage to or loss of an automobile, whether or not such loss is insured, even if such loss is caused by the negligence of the Port.

7.5 Periodic Review

The Port shall have the right to periodically review the types, limits, and terms of insurance coverage. In the event the Port reasonably determines that such types, limits, and/or terms should be changed, the Port will give Lessee a minimum of thirty (30) days' notice of such determination, and Lessee shall modify its coverage to comply with the new insurance requirements of the Port. Lessee shall also provide the Port with proof of such compliance by giving the Port an updated certificate of insurance within fifteen (15) days.

7.6 Waiver of Subrogation

If any of Lessee's property or automobile insurance policies do not allow the insured to waive the insurer's rights of subrogation prior to loss, Lessee shall cause it to be endorsed with a waiver of subrogation that allows the waivers required by this Section. Lessee and the Port waive any right of action that they and/or their insurance carriers might have against each other (including their respective employees, officers, commissioners, or agents) or against other tenants of the Premises for any loss, cost, damage, or expense (collectively, "Loss") to the extent that such Loss is covered by any property insurance policy or policies maintained or required to be maintained pursuant to this Lease and to the extent that such proceeds (which proceeds are free and clear of any interest of third parties) are received by the party claiming the Loss. Lessee waives any right of action it and/or its insurance carrier might have against the Port (including its respective employees, officers, commissioners, or agents) for any Loss to the extent such Loss is covered under any applicable automobile liability policy or policies required by this Lease. Lessee also waives any right of action it and/or its insurance carrier might have against the Port (including its employees, officers, commissioners, or agents) for any Loss expressed in Section 7.4.4, whether or not such Loss is insured.

7.7 Survival of Indemnities

The indemnity agreements set forth in this Section 7 shall survive the expiration or earlier termination of the Lease and be fully enforceable thereafter.

8. DAMAGE OR DESTRUCTION

8.1 General

Lessee shall immediately notify the Port of damage or destruction to any Improvements located on the Premises (herein "Casualty"). For purposes of this Lease, a "Major Casualty" shall be a casualty that involves damage or destruction of FIFTY THOUSAND DOLLARS (\$50,000) or more of the Improvements located on the Premises.

8.2 Reconstruction

In the event of a Casualty that does not qualify as a Major Casualty, Lessee must promptly repair or replace any damaged Improvements made by Lessee, and the Port must promptly repair and restore the Premises. If a Major Casualty shall occur, the Port shall have the option to either terminate this Lease immediately without liability to Lessee and require Lessee to promptly vacate the Premises or the Port may elect to restore or replace the damaged Premises, excluding any Improvements made by Lessee, which shall be Lessee's responsibility. The Port shall notify the Lessee of the Port's intent to terminate the Lease or restore the Premises within thirty (30) days of the date the damage occurred. If a Major Casualty occurs, Lessee shall also have the right to terminate this Lease. If the Port or Lessee choose to terminate this Lease under the provisions set forth in this Section, all insurance proceeds payable on account of the

damage or destruction to the Premises shall be paid to the Port. Prior to termination, all Improvements and other property required to be removed by the Lessee pursuant to Section 9 must be removed from the Premises. If the Port decides to restore or replace the damaged Premises and Lessee decides to continue to lease, Rent shall continue to be paid during the restoration period regardless of whether or not all or any portions of the Premises may be used, unless such work is not completed within one hundred eighty (180) days from the date the damage occurred, or unless otherwise agreed to in writing by the Port. If the Port decides to restore or replace the damaged Premises, such work shall be completed within one hundred eighty (180) days from the date the damage occurred. During any restoration, Rent shall continue to be paid unless otherwise agreed to in writing by the Port, regardless of whether or not all or any portions of the Premises may be used. In the event of termination, the Port shall not be required to reimburse Lessee any prepaid Rent. Any restoration of the Premises shall comply with all terms of this Lease.

9. TERMINATION

9.1 Duties on Termination

Upon expiration or earlier termination of the Lease for any reason, Lessee shall deliver all keys to the Port and surrender the Premises and all Improvements in good and clean condition. Upon termination, Improvements constructed by Lessee shall, at the Port's option, become Port property (including any buildings constructed on the Premises) and shall not be removed unless the Port directs Lessee to remove such authorized Improvements, in which case Lessee must remove them and then repair any damage to the Premises. All repair and removal for which Lessee is responsible shall be completed prior to termination and surrender of the Premises.

9.2 Lessee's Personal Property

9.2.1 Removal Requirement

Personal property, detachable curtains, blinds, furnishings, and removable trade fixtures shall remain the property of Lessee if placed on the Premises by Lessee, at Lessee's expense (Lessee's "Personal Property"). At or before the termination of this Lease, Lessee, at Lessee's expense, shall remove from the Premises any and all of Lessee's removable Personal Property and shall repair any damage to the Premises resulting from the installation or removal of such Personal Property. Title to any items of Lessee's Personal Property which remain on the Premises after the termination date of this Lease may, at the option of the Port, be automatically taken by the Port, and the Port shall have the option, in its sole discretion, of: (i) retaining any or all of such Personal Property without any requirement to account to Lessee therefor; or (ii) removing and disposing of any or all of such Personal Property and recovering the cost thereof, plus interest from the date of expenditure at the Port's then-current interest rate, from Lessee upon demand.

9.2.2 Time for Removal

The time for removal of any Improvements or Personal Property Lessee is required to remove from the Premises upon termination shall be as follows: (i) on or before the Expiration Date; or (ii) if this Lease is terminated unexpectedly due to a Casualty loss, Condemnation, an uncured Event of Default, or for any other reason prior to the Expiration Date, then all removal must occur within thirty (30) days of the actual termination date. Lessee must continue to pay all Rent until all removal and cleanup is completed. The Port shall notify Lessee at least sixty (60) days in advance of the Expiration Date of the Improvements that must be removed by Lessee.

9.3 Holding Over

If Lessee holds over after this Lease terminates, Lessee shall be deemed a month-to-month holdover tenant or a tenant at sufferance, at the Port's sole discretion. In the event the Port deems Lessee as a month-to-month holdover tenant, Lessee shall remain bound by this Lease, except that the tenancy shall be from month-to-month, subject to the payment of all Rent in advance, with the monthly Basic Rent being equal to FIFTEEN THOUSAND DOLLARS (\$15,000) per month for no more than a three month holdover period and THIRTY SIX THOUSAND DOLLARS (\$36,000) per month for any holdover period thereafter, plus payment of all Additional Rent as set forth in Section 3. Such holdover tenancy may be terminated at any time upon one month's written notice from the Port to Lessee. In the event the Port deems Lessee as a tenant at sufferance, the Port shall be entitled to evict Lessee, but the Port may still collect a charge for use of the Premises at the holdover rate, plus Additional Rent, stated in this Section. Nothing contained herein shall be construed as a consent by the Port for Lessee to holdover.

10. DEFAULT

10.1 Event of Default

The occurrence of any of the following shall constitute an Event of Default (also referred to as a "Default"):

10.1.1 Default in Rent

Failure of Lessee to pay any Rent or other amount payable to the Port or to others as provided herein within ten (10) days of the Due Date. No notice by the Port that Rent or such other amount is past due shall be required.

10.1.2 Default of Use Covenant

Failure of Lessee to immediately cure a violation of the use provision of this Lease, as set forth in Section 1.4, after notice by the Port describing the nature of the Default shall result in immediate termination of this Lease.

10.1.3 Default in Other Covenants

Unless otherwise provided in this Section 10, failure of Lessee to comply with any term, covenant, or condition of this Lease (other than the payment of Rent or

other amounts) within ten (10) days after written notice by the Port describing the nature of the Default. If the Default is of such a nature that it cannot be completely remedied within the ten (10)-day period, this provision shall be complied with if Lessee begins correction of the Default within the ten (10)-day period and thereafter proceeds in good faith and with reasonable diligence to effect the cure as soon as practical and to the satisfaction of the Port.

10.1.4 No Notice Required

Notwithstanding the foregoing Section 10.1.3, the Port need not give notice for a Default of the same Lease provision more than four (4) times during the Lease Term, and a failure to perform such type of obligation after the fourth notice constitutes an immediate Event of Default for which no further notice or opportunity to cure need be given. Furthermore, if any Event of Default threatens to cause serious harm to the Port or other Port tenants or persons, then the Port shall not be required to give any notice or opportunity to cure, and the Port shall be entitled to immediate injunctive relief.

10.1.5 Insolvency

To the extent permitted by the United States Bankruptcy Code, each of the following shall be considered an Event of Default: (i) insolvency of Lessee; (ii) an assignment by Lessee for the benefit of creditors; (iii) the filing by Lessee of a voluntary petition in bankruptcy; (iv) an adjudication that Lessee is bankrupt or the appointment of a receiver for the properties of Lessee and the receiver is not discharged within ten (10) days; (v) the filing of an involuntary petition of bankruptcy and failure of Lessee to secure a dismissal of the petition within thirty (30) days after filing; or (vi) the attachment of or the levying of execution on the leasehold interest and failure of Lessee to secure discharge of the attachment or release of the levy of execution within ten (10) days. In all of these instances, no notice that an Event of Default has occurred shall be required from the Port, and no cure period except as specifically stated in this Section shall apply.

10.1.6 Abandonment

Failure of Lessee for thirty (30) or more continuous days to use and occupy the Premises for one or more of the purposes permitted under this Lease, unless such failure is excused under other provisions of this Lease. In the case of Abandonment, no notice that an Event of Default has occurred shall be required from the Port.

10.1.7 Failure to Abide by Laws

Failure of Lessee to comply with any applicable state, federal, and local laws or any of the Port's Rules. If the Port determines, in its sole discretion, that the Default is not of a serious nature and the Default can be cured as outlined in Section 10.1.3, above, then the Port shall give Lessee ten (10) days' notice of such Default, and Lessee shall be permitted to cure. If the Port determines, in its sole discretion, that

the violation is of a serious nature, then termination will be immediate and no opportunity to cure the Default will be allowed.

10.2 Remedies on Default

Immediately following an uncured Event of Default or an Event of Default for which there is no cure period, the Port may exercise any or all of the following remedies, in addition to any other rights and remedies provided elsewhere in this Lease or otherwise at law or in equity:

10.2.1 Re-entry

Without accepting surrender, the Port may re-enter the Premises, or any part thereof, by suitable action or proceeding at law, or by force or otherwise, without being liable for indictment, prosecution, or damages therefor and may repossess the Premises and remove any person or property therefrom, to the end that the Port may have, hold, and enjoy the Premises.

10.2.2 Reletting

The Port, at its option, without accepting surrender, may relet the whole or any part of the Premises from time to time, either in the name of the Port or otherwise, to such tenants, for such terms ending before, on, or after the Expiration Date of this Lease, at such rentals and upon such conditions (including concessions and free rent periods) as the Port, in its sole discretion, may determine to be appropriate. To the extent allowed under Oregon law, the Port shall not be liable for refusal to relet the Premises, or in the event of any such reletting, for failure to collect any rent due upon such reletting; and no such failure shall operate to relieve Lessee of any liability under this Lease or otherwise affect any such liability. The Port may make such physical changes to the Premises as the Port, in its sole discretion, considers advisable or necessary in connection with any such reletting or proposed reletting, without relieving Lessee of any liability under this Lease or otherwise affecting Lessee's liability. The Port shall have no obligation to attempt to relet the Premises prior to leasing such other property the Port may have available for lease. The Port, if under any statutory obligations to mitigate damages, shall not be required to attempt to relet the Premises to a potential lessee with whom the Port has been negotiating a lease for other property owned by the Port or to whom the Port has shown other property owned by the Port. The Port shall be entitled to use its best efforts to lease such other Port property to such prospective tenant.

10.2.3 Rent Recovery

Whether or not the Port retakes possession or relets the Premises, the Port shall have the right to recover unpaid Rents and all damages caused by the Default. Damages shall include, without limitation: (i) all Rents otherwise owed under this Lease (subject only to Oregon laws concerning mitigation of damages); (ii) all legal expenses and other related costs incurred by the Port as a result of Lessee's Default; (iii) that portion of any leasing commission paid by the Port as a result of this Lease which can be attributed to the unexpired portion of this Lease; (iv) all costs incurred by

the Port in restoring the Premises to good order and condition or in remodeling, renovating or otherwise preparing the Premises for reletting; and (v) all costs incurred by the Port in reletting the Premises, including, without limitation, any brokerage commissions and the value of the Port's staff time expended as a result of the Default.

10.2.4 Recovery of Damages

The Port may sue periodically for damages as they accrue without barring a later action for further damages. Nothing in this Lease will be deemed to require the Port to await the date on which the Lease Term expires to bring or maintain any suit or action respecting this Lease. The Port may, in one action, recover accrued damages, plus damages attributable to the remaining Lease Term, including, but not limited to, all Rent due and payment for damages to the Premises. Escalations in Rent shall be calculated as set forth in Section 3 just as if the Lease were to remain in effect. If the Port has relet all or any part of the Premises for all or any part of the period remaining on the Lease Term, this amount will be credited to Lessee, less all expenses incurred in reletting.

10.3 Termination of Lease

The Port may terminate this Lease upon the occurrence of an uncured Event of Default by giving Lessee written notice that this Lease is terminated. However, even if Lessee breaches this Lease, this Lease shall continue for so long as the Port does not terminate Lessee's right to possession, and the Port may enforce all of its rights and remedies under this Lease, including the right to recover the Rents as they become due under this Lease. Acts of maintenance or preservation or efforts to relet the Premises or the appointment of a receiver upon initiative of the Port to protect the Port's interest under this Lease shall not constitute a termination of Lessee's rights to possession unless written notice of termination is given by the Port to Lessee. Any notice to terminate may be given before or within the cure period for Default and may be included in a notice of failure of compliance. No such termination shall prejudice the Port's right to claims for damages for such breach or any other rights and remedies of the Port.

10.4 Remedies Cumulative and Nonexclusive

Each right and remedy in this Lease will be cumulative and will be in addition to every other right or remedy in this Lease or existing at law or in equity, including, without limitation, suits for injunctive relief and specific performance. The exercise by the Port of any such rights or remedies will not preclude the simultaneous or later exercise by the Port of any other such rights or remedies. All such rights and remedies are nonexclusive.

10.5 Port Curing of Lessee's Defaults

If Lessee shall Default in the performance of any of Lessee's obligations under this Lease, the Port, without waiving such Default, may (but shall not be obligated to) perform the same for the account of and at the expense of Lessee, without notice in a case of emergency and in any other cases only if such Default continues after the

expiration of thirty (30) days from the date the Port gives Lessee notice of the Default. The Port shall not be liable to Lessee for any claim for damages resulting from such action by the Port. Lessee agrees to reimburse the Port upon demand, as additional Rent, any reasonable amounts the Port may spend in complying with the terms of this Lease on behalf of Lessee.

10.6 Default by Port

In the event of any Default by the Port, Lessee's exclusive remedy shall be an action for damages. Prior to being entitled to maintain any such action, Lessee shall give the Port written notice specifying such Default with particularity, and the Port shall have thirty (30) days within which to cure any such Default, or if such Default cannot reasonably be cured within thirty (30) days, the Port shall then have thirty (30) days to commence cure and shall diligently prosecute cure to completion. Unless and until the Port fails to so cure such Default after such notice, Lessee shall not have any remedy or cause of action by reason thereof. All obligations of the Port hereunder shall be construed as covenants, not conditions, and all such obligations shall be binding upon the Port only during the period of its ownership of the Premises and not thereafter, subject to Section 11.2 below.

11. ASSIGNMENT, SUBLEASE, MORTGAGE, AND TRANSFER

11.1 General Prohibition

This Lease is personal to Lessee. Therefore, no part of the Premises nor any interest in this Lease may be assigned, pledged, transferred, mortgaged, or subleased by Lessee nor may a right-of-use of any portion of the Premises be conveyed or conferred on any third party by Lessee by any other means. Any attempted assignment or sublease by Lessee shall be void and shall be an immediate Event of Default.

11.2 Transfer by the Port

At any time after the Commencement Date of this Lease, the Port shall have the right to transfer its interest in the Premises or in this Lease. In the event of such a transfer, Lessee shall attorn to the Port's transferee and recognize the transferee as the new Lessor under the Lease. Thereafter, the Port shall be relieved, upon notification to Lessee of the name and address of the Port's successor, of any obligations accruing from and after the date of the transfer, so long as the transferee has agreed with the Port to assume all obligations of the Port under this Lease.

11.3 Estoppel Certificates

Lessee agrees to execute and deliver to the Port, at any time and within thirty (30) days after written request, a statement certifying, among other things: (i) that this Lease is unmodified and is in full force and effect (or if there have been modifications, stating the modifications); (ii) the dates to which Rent has been paid; (iii) whether or not the Port is in Default in performance of any of its obligations under this Lease and, if so, specifying the nature of each such Default; and (iv) whether or not any event has occurred which, with the giving of notice, the passage of time, or both, would constitute

such a Default by the Port and, if so, specifying the nature of each such event. Lessee shall also include in any such statement such other information concerning this Lease as the Port reasonably requests. The parties agree that any statement delivered pursuant to this Section shall be deemed a representation and warranty by Lessee which may be relied upon by the Port and by potential or actual purchasers and lenders with whom the Port may be dealing, regardless of independent investigation. If Lessee fails to provide such statement within thirty (30) days after the Port's written request therefor, Lessee shall be deemed to have given such statement and shall be deemed to have admitted the accuracy of any information contained in the request for such statement, and the Port shall be deemed to be appointed as Lessee's attorney in fact with full authority to make such an estoppel certificate on Lessee's behalf.

12. GENERAL PROVISIONS

12.1 Covenants, Conditions, and Restrictions

This Lease is subject and subordinate to the effect of any covenants, conditions, restrictions, easements, mortgages, deeds of trust, ground leases, rights of way, and any other matters of record now or hereafter imposed upon the Premises and to any applicable land use or zoning laws or regulations. Lessee shall, upon request of the Port, execute and deliver agreements of subordination in the form requested by the Port.

12.2 Governing Law

This Lease shall be governed and construed according to the laws of the State of Oregon. Venue shall be in Multnomah County, Oregon.

12.3 Port and Lessee

References to the Port and to Lessee herein are intended to include the commissioners, directors, officers, employees, and agents of both when acting in the course and scope of their employment or as an agent thereof.

12.4 No Benefit to Third Parties

The Port and Lessee are the only parties to this Lease and, as such, are the only parties entitled to enforce its terms. Unless specifically provided otherwise in this Lease, nothing in this Lease gives or shall be construed to give or provide any benefit, direct, indirect, or otherwise, to third parties unless third persons are expressly described as intended to be beneficiaries of its terms.

12.5 Port Consent

If Lessee requests the Port's consent or approval pursuant to any provision of this Lease and the Port fails or refuses to give such consent, Lessee shall not be entitled to any damages as a result of such failure or refusal, whether or not unreasonable. Lessee's sole remedy shall be an action for specific performance or injunction, and such remedy shall be available only if the Port has expressly agreed, in writing, not to act unreasonably in withholding its consent or if the Port may not

unreasonably withhold its consent, as a matter of law, and the Port has, in fact, acted unreasonably in either of those instances.

12.6 No Implied Warranty

In no event shall any consent, approval, acquiescence, or authorization by the Port be deemed a warranty, representation, or covenant by the Port that the matter approved, consented to, acquiesced in, or authorized is appropriate, suitable, practical, safe, or in compliance with any applicable law or this Lease. In no event shall the Port be deemed liable therefor. Lessee shall be solely responsible for such matters.

12.7 Notices

All notices required or desired to be given under this Lease shall be given in writing and may be delivered by personal delivery or by placement in the United States mail, postage prepaid, as certified mail, return receipt requested, and addressed as follows:

To the Port: The Port of Portland
700 NE Multnomah
Portland, Oregon 97232
Attn: Suzanne Brooks

with a copy to: The Port of Portland
700 NE Multnomah
Portland, Oregon 97232
Attn: Legal Department

To Lessee: Benson Industries, Inc.
1650 NW Naito Parkway, Suite 250
Portland, OR 97209
Attn.: Peter Potwin

Any notice delivered by personal delivery shall be conclusively deemed received by the addressee upon actual delivery; any notice delivered by mail as set forth herein shall be conclusively deemed received by the addressee on the third business day after deposit. The addresses to which notices are to be delivered may be changed by giving notice of such change in accordance with this notice provision. In order for notice to be deemed effectively given by mail, notice must be sent to both Port addresses listed above.

12.8 Time of the Essence

Time is of the essence in the performance of and adherence to each and every covenant and condition of this Lease.

12.9 Nonwaiver

Waiver by the Port of strict performance of any provision of this Lease shall not be deemed a waiver of or prejudice the Port's right to require strict performance of the same provision in the future or of any other provision of this Lease.

12.10 Survival

Any covenant or condition (including, but not limited to, indemnification agreements) set forth in this Lease, the full performance of which is not specifically required prior to the expiration or earlier termination of this Lease, and any covenant or condition which by its terms is to survive the termination of this Lease shall survive the expiration or earlier termination of this Lease and shall remain fully enforceable thereafter.

12.11 Partial Invalidity

If any provision of this Lease is held to be invalid or unenforceable, the remainder of this Lease or the application of such provision to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected thereby, and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

12.12 No Light or Air Easement

The reduction or elimination of Lessee's light, air, or view will not affect Lessee's obligations under this Lease, nor will it create any liability of the Port to Lessee.

12.13 Lease Subject to Bonds and Ordinances

This Lease shall be subject and subordinate to the bonds and ordinances which create liens and encumbrances as are now on the land which constitutes the Premises herein. Lessee agrees that the Port may hereafter adopt such bond ordinances which impose liens or encumbrances on said land and the Port's interest in the leasehold and that Lessee shall, upon request of the Port, execute and deliver agreements of subordination consistent herewith.

12.14 Lease and Public Contract Laws

To the extent applicable, the contract provisions required by ORS Chapter 279 to be included in public contracts are hereby incorporated by reference and shall become a part of this Lease as if fully set forth herein and shall control in the event of conflict with any provision of this Lease.

12.15 Limitation on Port Liability

The Port shall have no liability to Lessee for loss or damage suffered by Lessee on account of theft or any act of a third party, including other tenants. The Port shall only be liable for its willful misconduct or gross negligence and then only to the extent of actual and not consequential damages. The Port shall not be liable for the consequence of admitting by passkey or refusing to admit to the Premises Lessee or any of Lessee's agents or employees or other persons claiming the right of admittance.

12.16 Calculation of Time

All periods of time referred to in this Lease shall include Saturdays, Sundays, and legal holidays. However, if the last day of any period falls on a Saturday, Sunday, or legal holiday, then the period shall be extended to include the next day which is not a Saturday, Sunday, or legal holiday. "Legal Holiday" shall mean any holiday observed by the Federal Government.

12.17 Headings

The article and section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provisions of this Lease.

12.18 Exhibits Incorporated by Reference

All exhibits attached to this Lease are incorporated by reference herein for all purposes.

12.19 Modification

This Lease may not be modified except by a writing signed by the parties hereto.

12.20 Brokers

The Port recognizes that a brokerage commission is payable by the Port to Norris, Beggs & Simpson, of Portland, Oregon. Lessee hereby warrants that no other real estate brokers are owed brokerage commissions for this transaction. A copy of the Port's Brokerage Commission Policy is attached as **Exhibit "D."**

12.21 Attorney Fees

If a suit, action, or other proceeding of any nature whatsoever (including any proceeding under the U.S. Bankruptcy Code including, but not limited to, any proceeding involving assumption or rejection of this Lease) is instituted in connection with any controversy arising out of this Lease or to interpret or enforce any rights or obligations hereunder, the prevailing party shall be entitled to recover reasonable attorney fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, as determined by the court at trial or on any appeal or review, in addition to all other amounts provided by law. The prevailing party shall also be entitled to recover its attorney fees and costs if it is required to seek legal assistance to enforce any term of this Lease, whether or not a proceeding is initiated. Payment of all such fees and costs shall also apply to any administrative proceeding, trial, and/or any appeal or petition for review.

12.22 Entire Agreement

This Lease represents the entire agreement between the Port and Lessee relating to Lessee's leasing of the Premises. It is understood and agreed by Lessee that neither the Port nor the Port's agents or employees have made any representations or promises with respect to this Lease or the making or entry into this

Lease, except as expressly set forth in this Lease. No claim for liability or cause for termination shall be asserted by Lessee against the Port for, and the Port shall not be liable by reason of, any claimed breach of any representations or promises not expressly set forth in this Lease. All oral agreements with the Port are expressly waived by Lessee.

12.23 Successors

The rights, liabilities, and remedies provided for herein shall extend to the heirs, legal representatives, and, so far as the terms of this Lease permit, successors and assigns of the parties hereto. The words "Port" and "Lessee" and their accompanying verbs or pronouns, wherever used in this Lease, shall apply equally to all persons, firms, or corporations which may be or become such parties hereto. As used in this Lease, the term "Port" shall encompass all officers, directors, commissioners, employees, and agents of the Port when acting on behalf of the Port.

12.24 Joint and Several Obligations

If Lessee consists of more than one individual or entity, the obligations of all such individuals and entities shall be joint and several.

12.25 Execution of Multiple Counterparts

This Lease may be executed in two or more counterparts, each of which shall be an original, but all of which shall constitute one instrument.

12.26 Defined Terms

Capitalized terms shall have the meanings given them in the text of this Lease.

12.27 No Limit on Port's Powers

Nothing in this Lease shall limit, in any way, the power and right of the Port to exercise its governmental rights and powers, including its powers of eminent domain.

IN WITNESS HEREOF, the parties have subscribed their names hereto effective as of the year and date first written above.

BENSON INDUSTRIES, INC.

THE PORT OF PORTLAND

By: 

By: 

Mike Thorne, Executive Director

Title: 

APPROVED AS TO LEGAL SUFFICIENCY
FOR THE PORT OF PORTLAND

By: 

Counsel for the Port of Portland



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MATERIAL SAFETY DATA SHEET

MANUFACTURER'S NAME: TARR INCORPORATED
 ADDRESS: 2429 North Borthwick, P.O. Box 12570
 Portland, OR 97212

Emergency Telephone: (503) 288-3294
 DATE REVISED: 05/30/95

HMIS INFORMATION
 HEALTH: 2
 FLAMMABILITY: 3
 REACTIVITY: 0
 PROTECTION: H

SECTION I -- PRODUCT IDENTIFICATION

PRODUCT NUMBER: S1 PREPARED BY: MIKE ROONEY
 PRODUCT NAME: SOLVENT 1
 CHEMICAL NAME: SOLVENT BLEND
 CHEMICAL FORMULA: Not applicable; product is a mixture.
 DOT CLASSIFICATION: FLAMMABLE LIQUID N.O.S. 3 UN 1993, PG II

SECTION II -- HAZARDOUS INGREDIENTS

CHEMICAL/COMMON NAME	CAS NO.	OSHA PEL	ACGIH TLV	WT %
*Toluene	108-88-3	100 ppm	50 ppm	75-85
Petroleum hydrocarbon distillate	64742-89-8	300 ppm	300 ppm	15-25
Hexane	110-54-3	50 ppm	50 ppm	<1
2-Methyl Pentane	107-83-5	50 ppm	50 ppm	<1
3-Methyl Pentane	96-14-0	50 ppm	50 ppm	<0.5

The components of this product are listed on the EPA/TSCA inventory of chemical substances.
 * Indicates a reportable toxic chemical under SARA Title III Section 313

SECTION III -- PHYSICAL CHARACTERISTICS

BOILING POINT: 201-300 F SPECIFIC GRAVITY: 0.81-0.85
 VAPOR PRESSURE: 5.2-60 mm of Hg @ 20 C % VOLATILE BY VOLUME: 100%
 VAPOR DENSITY: HEAVIER THAN AIR. EVAPORATION RATE: SLOWER THAN ETHER.

SOLUBILITY(SPECIFY SOLVENTS):

Soluble in most Ketones and Hydrocarbons; solubility negligible in water

APPEARANCE AND ODOR:

Clear, water-white liquid with characteristic odor.

SECTION IV -- FIRE & EXPLOSION DATA

FLASH POINT: < 20 DEG F ESTIMATED EXPLOSIVE LIMIT RANGE IS: LEL: 1.0 UEL: 8.0
 EXTINGUISHING MEDIA:

Foam, carbon dioxide, dry chemical.

SPECIAL FIREFIGHTING PROCEDURES

The use of SCBA is recommended for firefighters. Water spray may be used to cool containers exposed to heat or flame.

SOLVENT 1

REACTIVITY: Product is stable.

HAZARDOUS POLYMERIZATION: Will not occur.

CONDITIONS TO AVOID:

This product is incompatible with strong acids or bases, oxidizers, alkali metals, and halogens.

HAZARDOUS DECOMPOSITION PRODUCTS:

Thermal decomposition may yield carbon monoxide and carbon dioxide.

SECTION V -- HEALTH HAZARD DATA

ACUTE HEALTH EFFECTS:

EYE CONTACT: Material may cause eye irritation. Direct contact with the liquid or exposure to its vapors or mists may cause stinging, tearing, redness.

INHALATION: Breathing high concentrations of vapors or mists may cause irritation of the nose or throat and signs of nervous system depression.

INGESTION: Ingestion of excessive quantities may cause irritation of the digestive tract, and signs of nervous system depression (headache, drowsiness, dizziness, loss of coordination, and fatigue).

SKIN CONTACT: This material may cause skin irritation. Prolonged exposure to material may cause redness, drying and cracking of the skin.

EMERGENCY FIRST AID PROCEDURES:

EYE CONTACT: Flush with clean water for at least fifteen minutes. If irritation persists, get medical attention.

INHALATION: Move individual to fresh air. If breathing has stopped, apply artificial respiration. Get medical attention.

INGESTION: DO NOT INDUCE VOMITING. Material can be aspirated into lungs, causing chemical pneumonia. Give water or milk to drink; get medical attention immediately.

SKIN CONTACT: Wash affected area with soap and water. If irritation persists, get medical attention.

CHRONIC HEALTH EFFECTS:

Laboratory studies have shown that petroleum distillates may cause kidney, liver, or lung damage. Reports have associated repeated and prolonged over-exposure to solvents with permanent brain and nervous system damage.

Not listed as a carcinogen by the NTP, IARC, or OSHA.

MEDICAL CONDITIONS AGGRAVATED BY EXPOSURE:

Existing lung or skin conditions may be aggravated by repeated exposure.

SECTION VI -- SPILL OR LEAK PROCEDURES

STEPS TO BE TAKEN IN CASE MATERIAL IS SPILLED OR RELEASED:

Remove all sources of ignition and provide ventilation. Dike around the spill to prevent spreading. Wear protective clothing as given in section VII. Soak up spilled material with absorbent material.

SOLVENT 1

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WASTE DISPOSAL METHOD: Incinerate or dispose of waste material in accordance with all local, state, and federal requirements.

SECTION VII -- SPECIAL PROTECTION DATA

RESPIRATORY PROTECTION:

Wear NIOSH-approved respirator when the airborne concentration of this product exceeds the Threshold Limit Value (TLV).

VENTILATION:

Provide exhaust ventilation sufficient to keep the airborne concentration of this product below its exposure limits. Exhaust air may need to be cleaned by scrubbers or filters to reduce environmental contamination.

PROTECTIVE GLOVES:

Neoprene or rubber if prolonged skin contact is likely.

EYE PROTECTION:

Goggles or full face shield if eye contact is likely.

SECTION VIII -- STORAGE & HANDLING DATA

PRECAUTIONS TO BE TAKEN IN HANDLING AND STORAGE:

Store away from heat, sparks, and open flame. Keep containers tightly closed when not in use. Ground and bond all equipment when transferring from one container to another. Do not weld, cut, grind, solder, or drill on or near empty containers. Empty containers may contain explosive concentrations of product vapors.

OTHER PRECAUTIONS:

Product emits vapors which are heavier than air and may travel long distances. KEEP OUT OF REACH OF CHILDREN!

Use good personal hygiene when handling this product. Wash hands after use, before smoking, eating, or using the toilet.

UNUSUAL FIRE AND EXPLOSION DATA

When heated above the flash point, this material emits flammable vapors which, when mixed with air, can burn or be explosive. Fine mists or sprays may be flammable at temperatures below the flash point.

THIS MSDS MEETS THE REQUIREMENTS OF CFR 1910.1200 OSHA HAZARD COMMUNICATION STANDARD.

THE INFORMATION CONTAINED HEREIN IS BASED ON THE DATA AVAILABLE TO US AND IS BELIEVED TO BE ACCURATE. HOWEVER, TARR, INCORPORATED MAKES NO WARRANTY, EXPRESSED OR IMPLIED, REGARDING THE ACCURACY OF THESE DATA OR THE RESULTS TO BE OBTAINED FROM THE USE THEREOF. TARR, INC. ASSUMES NO RESPONSIBILITY FOR INJURY FROM THE USE OF THE PRODUCT DESCRIBED HEREIN.

EXHIBIT B
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DOW CORNING CORPORATION MATERIAL SAFETY DATA SHEET

Page 1

DOW CORNING(R) 795 SILICONE BUILDING SEALANT, BLACK

SECTION 1. CHEMICAL PRODUCT AND COMPANY IDENTIFICATION

Dow Corning Corporation
South Saginaw Road
Midland, Michigan 48686

24 Hour Emergency Telephone: (517) 496-5900
Customer Service: (517) 496-6000
Product Disposal Information: (517) 496-5813
Transportation Information: (517) 496-0577
CHEMTREC: (800) 424-9300

MSDS No: 01695771

Print Date: 06/03/94

Last Revised: 06/09/94

Generic Description: Silicone elastomer

Physical Form: Paste

Color: Black

Odor: Slight odor

NFPA Profile: Health 11 Flammability 1 Reactivity 0

Main NFPA = National Fire Protection Association

SECTION 2. OSHA HAZARDOUS COMPONENTS

CAS Number	Wt%	Component	Exposure Limits
001185553	2	Methyltrimethoxysilane	Dow Corning guide: TWA 50 ppm. Also see methyl alcohol comments.
001333864	1	Carbon black	OSHA PEL and ACGIH TLV: TWA 3.5 mg/m ³ .
112945525	4	Amorphous fumed silica	Observe particulates limits OSHA PEL: TWA 15 mg/m ³ total dust, 5 mg/m ³ respirable fraction. ACGIH TLV: TWA 10 mg/m ³ total dust.
None	53	Calcium carbonate treated with stearic acid	Observe calcium carbonate limits. OSHA PEL: TWA 15 mg/m ³ total dust, 5 mg/m ³ respirable fraction. ACGIH TLV: TWA 10 mg/m ³ total dust.

Comments: Methyl alcohol forms on contact with water or humid air. Provide adequate ventilation to control exposures within guidelines of OSHA PEL: TWA 200 ppm and ACGIH TLV-skin: TWA 200 ppm, STEL 250 ppm. The effects of overexposure listed in Section 3 include health effects related to conversion of methoxysilanes to methyl alcohol upon exposure to moist or humid air.

SECTION 3. EFFECTS OF OVEREXPOSURE

Acute Effects

Eyes: Direct contact irritates slightly with redness and swelling.

Skin: A single relatively short exposure causes no known adverse effect. Several repeated or prolonged exposures (76 to 96 hours) may irritate.

Inhalation: Vapor overexposure may cause drowsiness.

Oral: Small amounts transferred to the mouth by fingers during use, etc., should not injure. Swallowing large amounts may injure slightly.

Repeated Exposure Effects

Skin: None Known.

Inhalation: None Known.

Oral: Small amounts transferred to the mouth by fingers during use, etc., should not injure. Swallowing large amounts may injure slightly.

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DOW CORNING CORPORATION
MATERIAL SAFETY DATA SHEET

Page 2

DOW CORNING(R) 795 SILICONE BUILDING SEALANT, BLACK

Special Hazards

This material contains the following components with the special hazards listed below.

Carcinogens

None Known

Teratogens

None Known

Mutagens

None Known

Reproductive Toxic

None Known

Sensitizers

None Known

Comments: Please read the additional information below.

The above listed potential effects of overexposure are based on actual data, results of studies performed upon similar compositions component data and/or expert review of the product.

SECTION 4. FIRST AID MEASURES

Eyes: Immediately flush with water for 15 minutes.

Skin: No first aid should be needed.

Inhalation: Remove to fresh air. Get medical attention if ill effects persist.

Oral: Get medical attention.

Comments: Treat according to person's condition and specifics of exposure.

SECTION 5. FIRE FIGHTING MEASURES

Flash Point (Closed Cup): Not Applicable - Solid.

Autoignition Temperature: Not Determined

Flammability Limits in Air: Not Determined

Extinguishing Media: Carbon dioxide (CO2). Water. Water fog (or spray). Dry chemical. Foam.

Unsuitable Extinguishing Media: None

Fire Fighting Procedures: Self-contained breathing apparatus and protective clothing should be worn in fighting fires involving chemicals. Evacuate area in case of overheating or fire.

Unusual Fire Hazards: None

Hazardous Decomposition Products:

Thermal breakdown of this product during fire or very high heat conditions may evolve the following hazardous decomposition products: Nitrogen oxides. Carbon oxides and traces of incompletely burned carbon compounds. Silicon dioxide. Metal oxides. Quartz. Formaldehyde.

SECTION 6. ACCIDENTAL RELEASE MEASURESEXHIBIT B
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DOW CORNING CORPORATION
MATERIAL SAFETY DATA SHEET

Page 3

DOW CORNING(R) 795 SILICONE BUILDING SEALANT, BLACK

Containment/Clean-up: Disposal of collected product, residue, and cleanup materials may be governmentally regulated. Observe all applicable local, state, and federal waste management regulations. Scrub up and contain for salvage or disposal. Observe all personal protection equipment recommendations described in Sections 5 and 8. Local, state, and federal reporting requirements may apply to spills or releases of this material into the environment. See applicable regulatory compliance information in Section 15.

NOTE: See Section 8 for Personal Protective Equipment for Spills

SECTION 7. HANDLING AND STORAGE

Handling: No special precautions.

Storage: Keep container closed and store away from water or moisture.

SECTION 8. EXPOSURE CONTROLS/PERSONAL PROTECTIONEngineering Controls

Local exhaust: Recommended
General Ventilation: Recommended

Personal Protective Equipment for Routine Handling

Eyes: Use proper protection - safety glasses as a minimum.

Skin: Washing at mealtime and end of shift is adequate.

Suitable Gloves: No special protection needed.

Inhalation: Use respiratory protection unless adequate local exhaust ventilation is provided or air sampling data show exposures are within recommended exposure guidelines. Industrial Hygiene Personnel can assist in judging the adequacy of existing engineering controls.

Suitable Respirator: Organic Vapor Type

Personal Protective Equipment For Spills

Eyes: Use proper protection - safety glasses as a minimum.

Skin: Washing at mealtime and end of shift is adequate.

**Inhalation/
Suitable Respirator:** Use respiratory protection unless adequate local exhaust ventilation is provided or air sampling data show exposures are within recommended exposure guidelines. Industrial Hygiene Personnel can assist in judging the adequacy of existing engineering controls.

Precautionary Measures: Avoid eye contact. Avoid breathing vapor. Keep container closed. Do not take internally.

Comments: Product evolves methyl alcohol when exposed to water or humid air. Provide ventilation during use to control exposure within Section 2 guidelines or use air-supplied or self-contained breathing apparatus.

Note: These precautions are for room temperature handling. Use at elevated temperature, or aerosol/spray applications, may require added precautions.

SECTION 9. PHYSICAL AND CHEMICAL PROPERTIES

Physical form: Paste

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**DOW CORNING CORPORATION
MATERIAL SAFETY DATA SHEET****DOW CORNING(R) 795 SILICONE BUILDING SEALANT, BLACK**

Page 4

Color: Black
Odor: Slight odor
Specific Gravity @ 25C: 1.52
Viscosity: Not Applicable.
Freezing/Melting Point: Not Determined.
Boiling Point: Not Applicable.
Vapor Pressure @ 25C: Not Applicable.
Vapor Density: Not Applicable.
Solubility in Water: None.
pH: Not Applicable.
Volatile content: Not Applicable.

Note: The above information is not intended for use in preparing product specifications.
Contact Dow Corning before writing specifications.

SECTION 10. STABILITY AND REACTIVITY

Chemical Stability: Stable.
Hazardous Polymerization: Hazardous polymerization will not occur.
Conditions to Avoid: None.
Materials to Avoid: Oxidizing material can cause a reaction.
Comments: Water, moisture, or humid air - hazardous vapors form as described in Section 2.

SECTION 11. TOXICOLOGICAL INFORMATION

OPTIONAL SECTION - Complete information not yet available.

SECTION 12. ECOLOGICAL INFORMATION

OPTIONAL SECTION - Complete information not yet available.

SECTION 13. DISPOSAL CONSIDERATIONS

OPTIONAL SECTION - Complete information not yet available.

Call Dow Corning Environmental Mgmt. (517)496-6315, if more information is desired.

SECTION 14. TRANSPORT INFORMATION

DOT Information (49CFR 172.101)

Proper Shipping Name: Not Available
Hazard Technical Name: Not Available
Hazard Class: Not Available
UN/NA Number: Not Available
Packaging Group: Not Available

Call Dow Corning Transportation, (517)496-8577, if additional information is required.

SECTION 15. REGULATORY INFORMATION

Contents of this MSDS comply with the OSHA Hazard Communication Standard 29CFR 1910.1200

TSCA Status: All chemical substances found in this product comply with the Toxic Substances Control Act inventory reporting requirements.

EPA BARA Title III Chemical Listings:

Section 302 Extremely Hazardous Substances:
None

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DOW CORNING CORPORATION MATERIAL SAFETY DATA SHEET

Page 5

DOW CORNING(R) 795 SILICONE BUILDING SEALANT, BLACK

Section 304 CERCLA Hazardous Substances:

None

Section 312 Hazard Class:

Acute: Y
Chronic: N
Fire: N
Pressure: N
Reactive: N

Y = Yes N = No

Section 313 Toxic Chemicals:

None present or none present in regulated quantities.

Supplemental State Compliance Information

CAS Number	Qty	Component
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California

Warning: This product contains the following chemical(s) listed by the State of California under the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) as being known to cause cancer.

001306236	.1	Cadmium sulfide
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Warning: This product contains the following chemical(s) listed by the State of California under the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) as being known to cause birth defects or other reproductive harm.

None Known.

Massachusetts

001306236	<	.1	Cadmium sulfide
001333864		1	Carbon black

New Jersey

None	53	Calcium carbonate treated with stearic acid
070131678	29	Dimethyl siloxane, hydroxy-terminated
063148629	9	Polydimethylsiloxane
112945525	4	Amorphous fumed silica
001185553	2	Methyltrimethoxysilane
001333864	1	CARBON BLACK, #N342

Pennsylvania

None	53	Calcium carbonate treated with stearic acid	
112945525	4	Amorphous fumed silica	
070131678	29	Dimethyl siloxane, hydroxy-terminated	
063148629	9	Polydimethylsiloxane	
001333864	1	Carbon black	
001306236	<	.1	Cadmium sulfide

SECTION 16. OTHER INFORMATION

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MATERIAL SAFETY DATA SHEET

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MANUFACTURER'S NAME: TARR INCORPORATED
ADDRESS: 2429 North Borthwick P.O. Box 12570
Portland, OR 97212

Emergency Telephone: (503) 288-5294
DATE REVISED: 05/23/95

HMS INFORMATION
HEALTH 1
FLAMMABILITY 3
REACTIVITY 0
PROTECTION H

SECTION I -- PRODUCT IDENTIFICATION

PRODUCT NUMBER: E190
PRODUCT NAME: TARSOL E2-190
CHEMICAL NAME: ALCOHOL
CHEMICAL FORMULA: Not applicable; product is a mixture.
DOT CLASSIFICATION: ETHYL ALCOHOL, 3, UN 1170, PG II

PREPARED BY: MIKE ROONEY

(DENATURED ALCOHOL)

SECTION II -- HAZARDOUS INGREDIENTS

CHEMICAL/COMMON NAME	CAS NO.	OSHA PEL	ACGIH TLV	WT %
Ethanol	64-17-5	1000 ppm	1000 ppm	84-95
Isopropyl Alcohol	67-63-0	400 ppm	400 ppm	1-10
*Methyl Isobutyl Ketone	108-10-1	50 ppm	50 ppm	< 1
Deionized water	7732-18-5	Not Established		1-10

The components of this product are listed on the EPA/TSCA inventory of chemical substances.

* Indicates a reportable toxic chemical under SARA Title III Section 313

SECTION III -- PHYSICAL CHARACTERISTICS

BOILING POINT: 165-176 F
VAPOR PRESSURE: 32.63 mm of Hg @ 20 C
VAPOR DENSITY: HEAVIER THAN AIR.

SPECIFIC GRAVITY: 0.797
% VOLATILE BY VOLUME: 100%
EVAPORATION RATE: SLOWER THAN ETHER.

SOLUBILITY(SPECIFY SOLVENTS):

Soluble in most organic solvents, slightly soluble with water.

APPEARANCE AND ODOR:

Clear, water-white liquid with characteristic odor.

SECTION IV -- FIRE & EXPLOSION DATA

FLASH POINT: 57 DEG F ESTIMATED EXPLOSIVE LIMIT RANGE IS: LEL:3.0 UEL:19.0

EXTINGUISHING MEDIA:

Foam, carbon dioxide, dry chemical.

SPECIAL FIREFIGHTING PROCEDURES

The use of SCBA is recommended for firefighters. Water spray may be used to cool containers exposed to heat or flame.

EXHIBIT B
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TARSOL E2-190

REACTIVITY: Product is stable

HAZARDOUS POLYMERIZATION: Will not occur.

CONDITIONS TO AVOID:

This product is incompatible with strong acids or bases, oxidizers, alkali metals, and halogens.

HAZARDOUS DECOMPOSITION PRODUCTS:

Thermal decomposition may yield carbon monoxide and carbon dioxide.

SECTION V -- HEALTH HAZARD DATA

ACUTE HEALTH EFFECTS:

EYE CONTACT: Material is a eye irritant. Direct contact with the liquid or exposure to vapors or mists may cause stinging, tearing, redness, swelling and eye damage.

INHALATION: Breathing high concentrations of vapors or mists may cause irritation of the nose or throat and signs of nervous system depression.

INGESTION: Ingestion of excessive quantities may cause irritation of the digestive tract, and signs of nervous system depression(headache, drowsiness, dizziness, loss of coordination, and fatigue).

SKIN CONTACT: This material is a skin irritant. Direct contact may cause redness or burning, drying and cracking of the skin.

EMERGENCY FIRST AID PROCEDURES:

EYE CONTACT: Flush with clean water for at least fifteen minutes. If irritation persists, get medical attention.

INHALATION: Move individual to fresh air. If breathing has stopped, apply artificial respiration. Get medical attention.

INGESTION: Give no more than two glasses of water and induce vomiting. Keep victims head below hips while vomiting. Seek medical attention. Note: never give liquids if victim is unconscious or very drowsy.

SKIN CONTACT: Wash affected area with soap and water. If irritation persists, get medical attention.

CHRONIC HEALTH EFFECTS:

Laboratory studies have shown that petroleum distillates may cause kidney, liver, or lung damage. Reports have associated repeated and prolonged over-exposure to solvents with permanent brain and nervous system damage.

Not listed as a carcinogen by the NTP, IARC, or OSHA.

MEDICAL CONDITIONS AGGRAVATED BY EXPOSURE:

Existing lung or skin conditions may be aggravated by repeated exposure.

SECTION VI -- SPILL OR LEAK PROCEDURES

STEPS TO BE TAKEN IN CASE MATERIAL IS SPILLED OR RELEASED:

Remove all sources of ignition and provide ventilation. Dike around the spill to prevent spreading. Wear protective clothing as given in section VII. Soak up spilled material with absorbant material.

TARSOL E2-190

WASTE DISPOSAL METHOD: Incinerate or dispose of waste material in accordance with all local, state, and federal requirements.

SECTION VII -- SPECIAL PROTECTION DATA

RESPIRATORY PROTECTION:

Wear NIOSH-approved respirator when the airborne concentration of this product exceeds the Threshold Limit Value (TLV).

VENTILATION:

Provide exhaust ventilation sufficient to keep the airborne concentration of this product below its exposure limits. Exhaust air may need to be cleaned by scrubbers or filters to reduce environmental contamination.

PROTECTIVE GLOVES:

Neoprene or rubber if prolonged skin contact is likely.

EYE PROTECTION:

Goggles or full face shield if eye contact is likely.

SECTION VIII -- STORAGE & HANDLING DATA

PRECAUTIONS TO BE TAKEN IN HANDLING AND STORAGE:

Store away from heat, sparks, and open flame. Keep containers tightly closed when not in use. Ground and bond all equipment when transferring from one container to another. Do not weld, cut, grind, solder, or drill on or near empty containers. Empty containers may contain explosive concentrations of product vapors.

OTHER PRECAUTIONS:

Product emits vapors which are heavier than air and may travel long distances. KEEP OUT OF REACH OF CHILDREN!

Use good personal hygiene when handling this product. Wash hands after use, before smoking, eating, or using the toilet.

UNUSUAL FIRE AND EXPLOSION DATA

When heated above the flash point, this material emits flammable vapors which, when mixed with air, can burn or be explosive. Fine mists or sprays may be flammable at temperatures below the flash point.

THIS MSDS MEETS THE REQUIREMENTS OF CFR 1910.1200 OSHA HAZARD COMMUNICATION STANDARD.

THE INFORMATION CONTAINED HEREIN IS BASED ON THE DATA AVAILABLE TO US AND IS BELIEVED TO BE ACCURATE. HOWEVER, TARR, INCORPORATED MAKES NO WARRANTY, EXPRESSED OR IMPLIED, REGARDING THE ACCURACY OF THESE DATA OR THE RESULTS TO BE OBTAINED FROM THE USE THEREOF. TARR, INC. ASSUMES NO RESPONSIBILITY FOR INJURY FROM THE USE OF THE PRODUCT DESCRIBED HEREIN.

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DOW CORNING CORPORATION
MATERIAL SAFETY DATA SHEET

Page 6

DOW CORNING(R) 795 SILICONE BUILDING SEALANT, BLACK

Prepared by: Dow Corning Corporation

This information is offered in good faith as typical values and not as a product specification. No warranty, expressed or implied, is hereby made. The recommended industrial hygiene and safe handling procedures are believed to be generally applicable. However, each user should review these recommendations in the specific context of the intended use and determine whether they are appropriate.

(R) Indicates Registered or Trademark

***** This is the last page. *****

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EXHIBIT "C"

MAXIMUM QUANTITY OF HAZARDOUS SUBSTANCES THAT ARE IDENTIFIED IN
EXHIBIT "B" TO BE STORED ON THE PREMISES BY LESSEE

<u>Product Name</u>	<u>Maximum Quantity On-Hand At Any One Time</u>
Solvent 1	5 gallons
Dow Corning 795 Silcon Building Sealant, Black	Five, 50 gallon drums
Tarsol E2-190	5 gallons

BROKERAGE COMMISSION POLICY

The Port may pay real estate commissions to real estate brokers licensed in the State of Oregon who are the procuring cause of land, building, and improvement leases and sales. No commission shall be payable if the broker has an interest in the sale, rental, or lease transaction.

The Port will recognize a real estate broker as the procuring cause only after the real estate broker has registered the client in writing with the Port and the Port has determined that (1) the client has not previously contacted the Port, and (2) no other real estate broker has previously registered the client with the Port. The registration will be effective only when acknowledged in writing by the Port and will expire without notice to the broker unless the real estate broker reports not less than monthly on the client's continued interest in the property.

Commissions for sales will be payable at closing after transfer of deed. Commissions shall be payable on rentals and leases after acceptance and execution by both parties of the appropriate documents.

REAL ESTATE BROKERS COMMISSION SCHEDULE

1. Leases

Commissions for leases with "net" terms shall be 5 percent of the net rental to the Port for the first five years of the lease agreement, plus 3 percent of such net rental for the balance of the term. Net terms shall mean rent net to the Port with the lessee paying taxes, utilities, maintenance, insurance and other fees and assessments which may be associated with the property.

Commissions for office leases with "gross" rental terms shall be 4 percent of the gross rent to the Port for the first five years of the lease agreement, plus 2.5 percent of such gross rental for the balance of the term of the lease. Gross rental terms shall mean that the Port, as landlord, agrees to pay all or a portion of taxes, utilities, maintenance, insurance and other fees and assessments.

Commissions on leases shall not exceed the commission which would have been paid if the property had been sold rather than leased, based on the Port's standard sales commission.

Commissions paid on percentage or concession leases shall be based on the minimum rent as established in the lease. Calculations of commissions shall be based on the guaranteed rent and shall not include percentage overrides, escalation of base rents, or other charges in addition to the original guaranteed rent.

2. Sales

Commissions on the sale of Port property, improved or unimproved, shall be 6 percent up to and including the initial \$500,000 of the gross sales price, plus 2.5 percent of any portion of the sales price in excess of \$500,000.

3. Options

No commission will be paid on options to extend leases, renewals of expired leases, or on expansions of lease areas.

A commission will be paid if an option to purchase granted by the Port as part of a sale or lease of Port property is exercised within three years of the sale or lease. The total commission paid, including the commission on the initial transaction plus the commission on the option, shall not exceed the commission which would have been paid if the property had been sold as part of the initial transaction.

The Port reserves the right to withdraw or amend this schedule at any time.

Effective: April 13, 1994



Port of Portland

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Exhibit D

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